

TO: Current child development providers with a contract for subsidized child care

FROM: Sara Mead

Assistant Superintendent of Early Learning

RE: Public Health Emergency Subsidy Rate

DATE: July 21, 2021

I. Background

On Dec. 18, 2020, Mayor Muriel Bowser announced that the Office of the State Superintendent of Education (OSSE) has put forward emergency and proposed regulations establishing a Public Health Emergency Subsidy Rate for child care providers, which were published in the DC Register on Jan. 15, 2021.

The Public Health Emergency Subsidy Rate temporarily increases subsidy reimbursement rates for licensed child development facilities participating in the District's child care subsidy program, in order to partially offset the effects of increased costs and/or reduced revenues that subsidy child care providers may experience as a result of the public health emergency resulting from the novel coronavirus. The rate is designed to ensure that reductions in subsidy payments that would otherwise result from reduced attendance in child care facilities during the public health emergency, are instead reinvested in increased payment rates for child care providers.

The Public Health Emergency Subsidy Rate is one of multiple strategies that the District of Columbia is implementing to support child care providers' continued ability to operate during a time when the impacts of coronavirus (COVID-19) are affecting all child care facilities' operating capacity, costs, and children's attendance in child care. It is intended to complement other strategies, including:

- Multiple rounds of emergency and relief grants to both subsidy and non-subsidy child care providers;
- Paying the full monthly amount for all children who are absent 10 or fewer days per month (or 15 if the absences are excused) and providing allowances for COVID-related absences to be considered excused;
- Full time payment for school-age children receiving full time care while their LEA is in a virtual posture; and
- Continued subsidy eligibility for families during the public health emergency.

II. Process for Calculating the Public Subsidy Rate

As defined in the regulations creating the Public Health Emergency Subsidy Rate, the Public Health Emergency Subsidy Rate is a *percentage increase* in the subsidy rates defined in <u>DCMR</u> 5A203.

The percentage increase is calculated by a mathematical formula based on the following steps:

- 1. Calculating the difference between subsidy payments for the most recent month based on standard subsidy rates (i.e., what May 2021 payments would have been under normal subsidy rates) and the subsidy payments made in the month before the start of the public health emergency (which for current public health emergency means February 2020)
- 2. Dividing this difference by the total subsidy payments made in the month before the Mayor first declared the public health emergency (i.e., February 2020)

Under the emergency and proposed regulations, the Public Health Emergency Subsidy Rate is to be updated every 90 days during the public health emergency. Setting the rate in three-month increments provides some predictability for child care providers, while allowing the rate to be updated if attendance in child care facilities changes in response to public health or other conditions.

For the months of June through August 2021, the percentage increase of the public health emergency is calculated as follows:

- The total monthly subsidy payment in May 2021 was \$7,504,756
- From March through May 2021, the Public Health Emergency Subsidy Rate increased subsidy payment rates by 39.9%. Had child care providers been paid at normal rates in May 2021 (without applying the Public Health Emergency Subsidy Rate), the May 2021 subsidy expenditure would have been \$5,365,522.
- The total monthly subsidy payment in February 2020 was \$9,219,813
- The difference between \$9,219,813 and \$5,365,522is \$3,854,290
- \$3,854,290 is 41.8% of \$9,219,812.75
- As a result of the implementation of the Public Health Emergency Subsidy Rate, all subsidy rates will increase by 41.8% for the months from June through August 2021.

The full table of rates for each provider type and Capital Quality Rating appears at the end of this document.

As stated in <u>DCMR 5A203.16</u>, the <u>Public Health Emergency Subsidy Rate will terminate</u> no sooner than 30 days following the end of a public health or other emergency duly declared by the Mayor, and shall not extend beyond 90 days following the end of a public health or other emergency. As the public health emergency remains in effect as of the date of this issuance, the Public Health Emergency Subsidy Rate will remain in effect through at least August 2021.

If the public health emergency continues beyond August 2021, OSSE will update this document

and the accompanying rate table to inform providers of the Public Health Emergency Subsidy Rate every three months until either the termination of the public health emergency, or until there are no longer funds available to cover the costs of the Public Health Emergency Subsidy Rate. When the public health emergency is lifted, OSSE will notify child care providers of the end of the public health emergency and the date on which the Public Health Emergency Subsidy Rate will terminate.

III. Accessing the Public Health Emergency Subsidy Rates

Child care providers who participate in the District's child care subsidy system and submit attendance to OSSE do not need to take any additional action to receive the Public Health Emergency Subsidy Rate. The Public Health Emergency Subsidy Rate will be automatically applied to the provider's payment based on reported attendance of children receiving subsidy.

IV. Questions and Public Comment

Child care providers with questions about the Public Health Emergency Subsidy Rate should contact Rebecca Shaw at Rebecca.Shaw@dc.gov.

V. Public Health Emergency Subsidy Rates Table

Developing – Child Development Center									
	Tradit	ional	Extend	ed Day	Nontraditional				
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time			
Infant and Toddler	\$92.78	\$55.67	\$102.05	\$64.94	\$115.98	\$69.58			
Infant and Toddler Special Needs	\$110.29	\$65.80	-	-	-	-			
Pre-school	\$69.30	\$41.58	\$76.23	\$48.51	\$86.63	\$51.97			
Pre-school Before and After	\$69.30	\$41.58	\$76.23	\$48.51	-	-			
School-Age Before and After	\$51.13	\$30.69	\$56.25	\$35.79	\$63.92	\$38.36			
School-Age Before or After	\$51.13	\$25.57	-	-	-	-			
Pre-school and School-Age Special Needs	\$87.19	\$52.01	-	-	-	-			

Developing - Child Development Home and Expanded Home								
	Traditional		Extended Day		Nontraditional			
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time		
Infant and Toddler	\$71.55	\$42.94	\$78.71	\$50.08	\$89.45	\$53.67		
Pre-school	\$43.73	\$26.25	\$48.11	\$30.61	\$54.66	\$32.80		

Pre-school Before and After	\$43.73	\$26.25	\$48.11	\$30.61	-	-
School-Age Before and After	\$39.70	\$23.82	\$43.67	\$27.79	\$49.63	\$29.78
School-Age Before or After	\$39.70	\$19.85	-	-	-	-

Pr	Progressing - Child Development Center									
	Tradit	ional	Extend	led Day	Nontraditional					
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time				
Infant and Toddler	\$96.88	\$58.12	\$106.56	\$67.81	\$121.10	\$72.66				
Infant and Toddler Special Needs	\$110.29	\$65.80	-	-	ı	-				
Pre-school	\$72.26	\$43.36	\$79.49	\$50.58	\$90.33	\$54.20				
Pre-school Before and After	\$72.26	\$43.36	\$79.49	\$50.58	-	-				
School-Age Before and After	\$51.13	\$30.69	\$56.25	\$35.79	\$63.92	\$38.36				
School-Age Before or After	\$51.13	\$25.57	-	-	-	-				
Pre-school and School-Age Special Needs	\$87.19	\$52.01	-	-	-	-				

Progressing - Child Development Home and Expanded Home									
	Tradit	ional	Extend	ed Day	Nontra	ditional			
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time			
Infant and Toddler	\$78.02	\$46.81	\$85.82	\$54.61	\$97.53	\$58.52			
Pre-school	\$48.69	\$29.22	\$53.57	\$34.09	\$60.87	\$36.53			
Pre-school Before and After	\$48.69	\$29.22	\$53.57	\$34.09	-	-			
School-Age Before and After	\$39.70	\$23.82	\$43.67	\$27.79	\$49.63	\$29.78			
School-Age Before or After	\$39.70	\$19.85	-	-	-	-			

Quality - Child Development Center								
	Traditional		Extended Day		Nontraditional			
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time		
Infant and Toddler	\$108.87	\$65.33	\$119.76	\$76.22	\$136.10	\$81.66		
Infant and Toddler Special Needs	\$110.29	\$65.80	-	-	-	-		

Pre-school	\$80.90	\$48.54	\$88.99	\$56.63	\$101.12	\$60.68
Pre-school Before and After	\$80.90	\$48.54	\$88.99	\$56.63	1	ı
School-Age Before and After	\$51.13	\$30.69	\$56.25	\$35.79	\$63.92	\$38.36
School-Age Before or After	\$51.13	\$25.57	-	-	-	-
Pre-school and School-Age Special Needs	\$87.19	\$52.01	-	-	-	-

Quality - Child Development Home and Expanded Home									
	Traditional		Extend	ed Day	Nontraditional				
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time			
Infant and Toddler	\$84.77	\$50.86	\$93.25	\$59.34	\$105.97	\$63.58			
Pre-school	\$55.59	\$33.35	\$61.14	\$38.91	\$69.48	\$41.69			
Pre-school Before and After	\$55.59	\$33.35	\$61.14	\$38.91	-	-			
School-Age Before and After	\$39.70	\$23.82	\$43.67	\$27.79	\$49.63	\$29.78			
School-Age Before or After	\$39.70	\$19.85	-	-	-	-			

Hig	gh-Quality	- Child D	evelopment (Center		
	Tradit	ional	Extend	ed Day	Nontraditional	
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time
Infant and Toddler	\$133.16	\$79.90	\$146.48	\$93.22	\$166.46	\$99.87
Infant and Toddler Special Needs	\$110.29	\$65.80	-	-	-	-
Pre-school	\$87.19	\$53.21	\$95.91	\$61.03	\$108.99	\$65.40
Pre-school Before and After	\$87.19	\$53.21	\$95.91	\$61.03	-	-
School-Age Before and After	\$51.13	\$30.69	\$56.25	\$35.79	\$63.92	\$38.36
School-Age Before or After	\$51.13	\$25.57	-	-	-	-
Pre-school and School-Age Special Needs	\$87.19	\$52.01	-	-	-	-

High-Quality - Child Development Home and Expanded Home								
	Traditional		Extended Day		Nontraditional			
	Full-	Part-	Full Time	Part Time	Full Time	Part-Time		
	Time	Time	run-rine	1 at t-1 line	run-rine	1 at t-1 line		

Infant and Toddler	\$98.95	\$59.24	\$108.85	\$69.27	\$123.69	\$74.22
Pre-school	\$61.23	\$36.74	\$67.36	\$42.87	\$76.54	\$45.93
Pre-school Before and After	\$61.23	\$36.74	\$67.36	\$42.87	\$76.54	\$45.93
School-Age Before and After	\$39.70	\$23.82	\$43.67	\$27.79	\$49.63	\$29.78
School-Age Before or After	\$39.70	\$19.85	-	-	-	-

Preliminary - Child Development Center									
	Tradit	ional	Extend	ed Day	Nontraditional				
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time			
Infant and Toddler	\$92.78	\$55.67	\$102.05	\$64.94	\$115.98	\$69.58			
Infant and Toddler Special Needs	\$110.29	\$65.80	-	-	-	-			
Pre-school	\$69.30	\$41.58	\$76.23	\$48.51	\$86.63	\$51.97			
Pre-school Before and After	\$69.30	\$41.58	\$76.23	\$48.51	-	-			
School-Age Before and After	\$51.13	\$30.69	\$56.25	\$35.79	\$63.92	\$38.36			
School-Age Before or After	\$51.13	\$25.57	-	-	-	-			
Pre-school and School-Age Special Needs	\$87.19	\$52.01	-	-	-	-			

Preliminary - Child Development Home and Expanded Home						
	Traditional		Extended Day		Nontraditional	
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time
Infant and Toddler	\$71.55	\$42.94	\$78.71	\$50.08	\$89.45	\$53.67
Pre-school	\$43.73	\$26.25	\$48.11	\$30.61	\$54.66	\$32.80
Pre-school Before and After	\$43.73	\$26.25	\$48.11	\$30.61	-	-
School-Age Before and After	\$39.70	\$23.82	\$43.67	\$27.79	\$49.63	\$29.78
School-Age Before or After	\$39.70	\$19.85	-	-	-	-

Relative Child Care Rates						
	Traditional		Extended Day		Nontraditional	
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time
Infant and Toddler	\$34.29	\$20.56	\$37.72	\$24.01	\$42.87	\$25.72
Pre-school	\$20.32	\$12.19	-	-	-	-
Pre-school Before and After	\$20.32	\$12.19	-	-	-	-

School-Age Before and After	\$19.74	\$11.84	\$21.71	\$13.81	\$24.67	\$14.80
School-Age Before <i>or</i> After	\$19.74	\$5.93	-	-	-	-

In-Home Child Care Rates						
	Traditional		Extended Day		Nontraditional	
	Full- Time	Part- Time	Full-Time	Part-Time	Full-Time	Part-Time
Infant and Toddler	\$20.11	\$12.07	\$22.12	\$14.08	\$25.14	\$15.09
Pre-School	\$12.34	\$7.40	\$13.57	\$8.64	\$15.43	\$9.26
Pre-school Before and After	\$12.34	\$7.40	\$13.57	\$8.64	-	-
School-Age Before <i>and</i> After	\$10.69	\$6.41	\$11.76	\$7.49	\$13.37	\$8.03
School-Age Before <i>or</i> After	\$10.69	\$5.87	-	-	-	-

Quality Improvement Network (QIN) Rates					
QIN Child Development Center	\$118.76				
QIN Child Development Home and Expanded Home	\$92.27				